



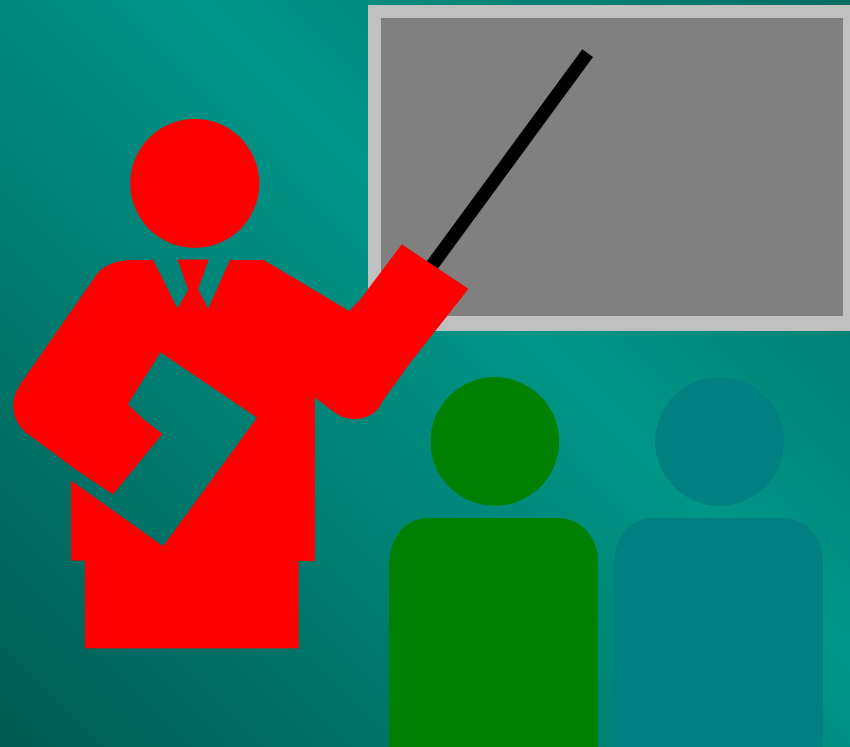
OPERATIONAL RISK MANAGEMENT

Indoctrination Training

Indoctrination Training

- * ORM Terms
- * 5-Step ORM Process
- * Causes of Risk
- * 4 ORM Principles
- * Benefits of ORM
- * 3 Levels of ORM
- * Time-critical ORM

ORM Terms



ORM Terms

Hazard:

A condition with the potential to cause personal injury or death, property damage, or mission degradation.



ORM Terms

Risk:

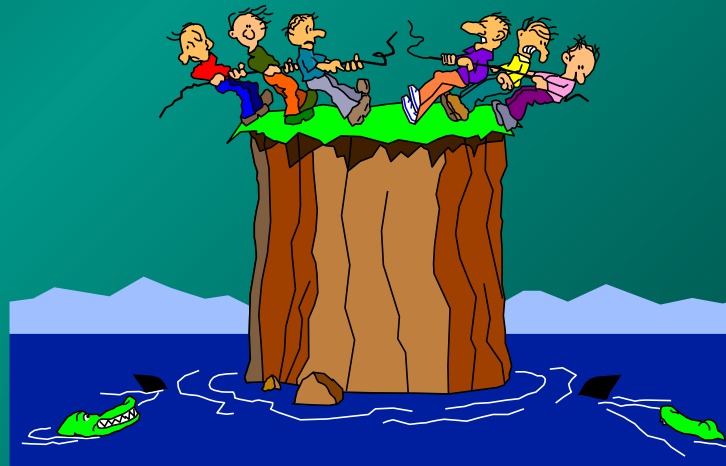
An expression of possible loss in terms of severity and probability



ORM Terms

Severity:

The worst credible consequence which can occur as a result of a hazard.



ORM Terms

Probability:

The likelihood
that a hazard will result in a
mishap or loss



Hazard

Bad Weather

Flock of Birds

Walking on top
of Slippery AC

Risk

High Probability
Flight Ops Cnx

Moderate Chance
of Engine FOD

Some Chance of
Fall Producing
Severe Injury

ORM Terms

Risk Assessment:

The process of detecting hazards and assessing associated risks.



ORM Terms

Control:

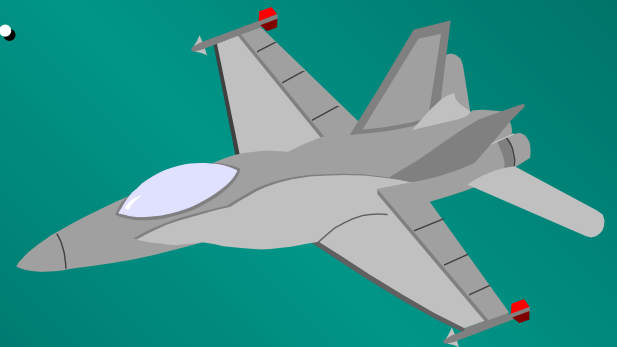
A method for reducing risk for an identified hazard by lowering the probability of occurrence, decreasing potential severity, or both.



ORM Terms

Operational Risk Management:

The process of dealing with risk associated with military operations, which includes risk assessment, risk decision making, and implementation of effective risk controls.



Operational Risk Management Process

1. Identify Hazards
2. Assess Hazards
3. Make Risk Decisions
4. Implement Controls
5. Supervise

Operational Risk Management

- > A Decision Making Tool**
- > Increases Ability to Make Informed Decisions**
- > Reduces Risks to Acceptable Levels**

Operational Risk Management

Goal:

To optimize operational capability and readiness by managing risk to accomplish the mission with minimal loss.

Causes of Risk

- * Change - The “Mother” of Risk
 - * Resource Constraints
 - * New Technology
- * Complexity
- * Stress

Causes of Risk

(Cont.)

- * Societal Constraints
- * Environmental Influences
- * Human Nature
- * Speed/Tempo of Operation
- * High Energy Levels

Four ORM Principles

1. Accept risk when benefits outweigh the cost.
2. Accept no unnecessary risk.
3. Anticipate and manage risk by planning.
4. Make risk decisions at the right level.

ORM vs. Non-standard Approach

Systematic

Random, Individual-D

Proactive

Reactive

Integrates All Types
of Risk Into Plan

Safety As After-thought Once
Plan is Done

Common
Process/Terms

Non-standard

Conscious Decision
Based on Risk vs. Benefit

“Can Do” Regardless of Risk

The Benefits of ORN

- > Reduction in Mishaps**

- > Improved
Mission Effectiveness**

Operational Risk Management

Levels of Application

- 1. Time-critical - On the run consideration of the 5 Steps**
- 2. Deliberate - Application of the complete 5-Step Process**
- 3. In-depth - Complete 5-Step Process with Detailed Analysis**

ORM PROCESS

Time-Critical ORM

1. Identify Hazards
2. Assess Hazards
3. Make Risk Decisions
4. Implement Controls
5. Supervise

Time-critical ORM Examples

- As changes occur during a mission/open
- Pre-flight brief
- Maintenance shift turn-over brief
- During execution of hazardous weather
- No notice missile exercise

Class Exercise

Time-critical ORM
Demonstration

